

**Department of Personnel Administration  
Memorandum**

**TO: Personnel Management Liaisons (PML)**

<b>SUBJECT:</b> Proposed Amendments to State Merit Award Regulations	<b>REFERENCE NUMBER:</b> 2007-007
<b>DATE ISSUED:</b> 01/29/07	<b>SUPERSEDES:</b>

This memorandum should be forwarded to:

**Personnel Officers  
Employee Relations Officers  
Accounting Officers  
Merit Award Administrators**

**FROM:** Department of Personnel Administration  
Benefits Division

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The Department of Personnel Administration is proposing amendments to the regulations governing the State Merit Award Program (599.655 thru 599.664). The regulatory notice, which reflect changes not posted on the Office of Administrative Law's Web site, the initial statement of reasons, and the regulation text are attached. This material has also been sent to Department Directors, Agency Secretaries, and State Employee Organizations.

The proposed regulation change is to section 599.664 (b) (3) which increases the recommended cash award from 10 to 20 percent of the net savings or increased earnings realized by the State agency up to \$50,000 during the first year following adoption of the suggestion.

A public hearing relative to the adoption of these regulations has been scheduled for February 27, 2007, at the Department of Personnel Administration, 1515 "S" Street, North Building, Suite 400, Conference Room A/B, Sacramento, California. The Conference Room is wheelchair accessible.

Comments and questions regarding the proposed regulations, as well as requests to testify at the hearing should be addressed to Barry Fisher, Manager, Merit Award Program, Department of Personnel Administration, 1515 "S" Street, North Building, Suite 400, Sacramento, California 95814-7243.

/s/David A. Gilb

David A. Gilb  
Director